

Parry David C
Form 4
December 21, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Parry David C

2. Issuer Name and Ticker or Trading Symbol
ILLINOIS TOOL WORKS INC
[ITW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director
 Officer (give title below) _____ Other (specify below)
Vice Chairman

(Last) (First) (Middle)
ILLINOIS TOOL WORKS
INC., 3600 WEST LAKE AVENUE

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
12/17/2010

GLENVIEW, IL 60026

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/17/2010		M		28,000	A	\$ 31.125
Common Stock	12/17/2010		S		28,000	D	\$ 51.715 (1)
Common Stock							1,050
						I	See Footnote (2)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Employee Stock Option	\$ 31.125	12/17/2010		M	28,000	12/14/2002 12/14/2011	Common Stock
Employee Stock Option	\$ 47.13					12/10/2005 12/10/2014	Common Stock
Employee Stock Option	\$ 42.08					12/07/2006 02/01/2016	Common Stock
Employee Stock Option	\$ 51.6					02/09/2008 ⁽³⁾ 02/09/2017	Common Stock
Employee Stock Option	\$ 48.51					02/08/2009 ⁽³⁾ 02/08/2018	Common Stock
Employee Stock Option	\$ 35.12					02/13/2010 ⁽³⁾ 02/13/2019	Common Stock
Qualifying Restricted Stock Unit ⁽⁴⁾	\$ 0					⁽⁵⁾ ⁽⁵⁾	Common Stock
Employee Stock Option	\$ 43.64					02/12/2011 ⁽³⁾ 02/12/2020	Common Stock
Performance Restricted Stock Unit ⁽⁴⁾	\$ 0					⁽⁵⁾ ⁽⁵⁾	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
			Vice Chairman	

Parry David C
ILLINOIS TOOL WORKS INC.
3600 WEST LAKE AVENUE
GLENVIEW, IL 60026

Signatures

David C. Parry by James H. Wooten, Jr., Senior Vice President, General Counsel & Secretary, Attorney-In-Fact POA on File

12/21/2010

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- This transaction was executed in multiple trades at prices ranging from \$51.65 to \$51.77. The price reported above reflects the weighted
- (1) average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Illinois Tool Works Inc. or a shareholder of Illinois Tool Works Inc. full information regarding the number of shares and prices at which the transaction was effected.
 - (2) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan--Information reported as of September 30, 2010.
 - (3) Options vest in four (4) equal annual installments beginning one year from date of grant.
 - (4) Each qualifying restricted stock unit (QRSU) and performance restricted stock unit (PRSU) represents a contingent right to receive one share of the Company's common stock.
 - (5) Each QRSU and PRSU vests 100% three years from the date of grant if performance goals are met.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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